Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18-40]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: DSCA at dsca.ncr.lmo.mbx.info@mail.mil or (703) 697-9709.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives and Transmittal 18-40 with attached Policy Justification.

Dated: November 2, 2018.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203 ARLINGTON, VA 22202-5408

The Honorable Paul D. Ryan Speaker of the House U.S. House of Representatives H-209, The Capitol Washington, DC 20515

Dear Mr. Speaker:

OCT 1 9 2018

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 18-40, concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of the United Kingdom for defense articles and services estimated to cost \$3.5 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Charles W. Hooper

Lieutenant General, US

Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Sensitivity of Technology (Classified document provided under separate cover)

Transmittal No. 18-40

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

(i) Prospective Purchaser: The Government of the United Kingdom

(ii) Total Estimated Value:

Major Defense Equipment* \$1.655 billion
Other \$1.845 billion
TOTAL \$3.500 billion

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Sixteen (16) H-47 Chinook (Extended Range) Helicopters

Thirty-six (36) T-55-GA-714A Engines (32 installed, 4 spares)

Forty-eight (48) Embedded GPS Inertial Navigation Units (32 installed, 16 spares)

Twenty (20) Common Missile Warning Systems (16 installed, 4 spares)

Twenty-two (22) Radio-Frequency Countermeasures (16 installed, 6 spares)

Nineteen (19) Multi-Mode Radars (16 installed, 3 spares)

Forty (40) M-134D0T Mini-Guns, plus mounts and tools (32 installed, 8 spares)

Forty (40) M240H Machine Guns, plus mounts and tools (32 installed, 8 spares)

Non-MDE:

Also included are communications equipment; navigation equipment; aircraft survivability equipment; initial training equipment and services; synthetic training equipment; support package including spares and repair parts; special tools and test equipment; aviation ground support equipment; safety and air worthiness certification; technical support; maintenance support; technical and aircrew publications; mission planning system equipment and support; and, project management and governance; U.S. Government and contractor engineering and logistics support services; and other related elements of logistic and program support.

- (iv) Military Department: Army (UK-B-WTJ)
- (v) Prior Related Cases, if any: UK-B-WSY and UK-B-WTN
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex (Classified document provided under separate cover)
- (viii) Date Report Delivered to Congress: October 19, 2018

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

United Kingdom – H-47 Chinook (Extended Range) Helicopters and Accessories

The Government of United Kingdom has requested a possible sale of sixteen (16) H-47 Chinook (Extended Range) helicopters; thirty-six (36) T-55-GA-714A engines (32 installed, 4 spares); forty-eight (48) embedded GPS inertial navigation units (32 installed, 16 spares); twenty (20) common missile warning systems (16 installed, 4 spares); twenty-two (22) radiofrequency countermeasures (16 installed, 6 spares); nineteen (19) multi-mode radars (16 installed, 3 spares); nineteen (19) electro-optical sensor systems (16 installed, 3 spares); forty (40) M-134D-T mini- guns, plus mounts and tools (32 installed, 8 spares); and forty (40) M240H machine guns, plus mounts and tools (32 installed, 8 spares). This sale also includes communications equipment; navigation equipment; aircraft survivability equipment; initial training equipment and services; synthetic training equipment; support package including spares and repair parts; special tools and test equipment; aviation ground support equipment; safety and air worthiness certification; technical support; maintenance support; technical and aircrew publications; mission planning system equipment and support; and, project management and governance; U.S. Government and contractor engineering and logistics support services; and other related elements of logistic and program support. Total estimated cost is \$3.5 billion.

The United Kingdom is a close NATO ally and an important partner on critical foreign policy and defense issues. The proposed sale will enhance U.S. foreign policy and national security objectives by enhancing the United Kingdom's capabilities to provide national defense and contribute to NATO and coalition operations.

The proposed sale will improve the United Kingdom's ability to meet current and future threats by providing a heavy lift rotary wing capability able to execute missions in extreme environments across a full range of military operations. The United Kingdom will have no difficulty absorbing these helicopters into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor of this sale will be Boeing Defense and Space, Ridley Park, PA. There is no known offset agreement associated with this proposed sale.

Implementation of this proposed sale will require approximately 29-32 U.S. Government personnel and 26 contractors assigned to the United Kingdom plus 3 equivalent man years TDY to support fielding and initial sustainment for a duration of 3-5 years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale. [FR Doc. 2018-24418 Filed: 11/7/2018 8:45 am; Publication Date: 11/8/2018]